

Before the
Federal Communications Commission
Washington, D.C. 20554

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In the Matter of)
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Request by AT&T Louisiana for Limited)
Modification of the LATA Boundary to Provide) WC Docket No. 07-85
Expanded Area Service (EAS) Between the)
Leesville and Florien Exchanges in the State of)
Louisiana)

MEMORANDUM OPINION AND ORDER

Adopted: June 11, 2007

Released: June 11, 2007

By the Chief, Competition Policy Division:

I. INTRODUCTION

1. On April 4, 2007, AT&T Inc., on behalf of BellSouth Telecommunications, Inc., d/b/a AT&T Louisiana (AT&T), pursuant to section 3(25) of the Communications Act of 1934, as amended (the Act),¹ filed a petition requesting a limited modification of LATA boundaries in Louisiana for the provision of two-way, flat-rated, non-optional expanded area service (EAS)² between the Leesville exchange in the Lafayette LATA and the Florien exchange in the Shreveport LATA.³ The Louisiana Public Service Commission (Louisiana Commission) has already approved an expansion of the current EAS serving these exchanges.⁴ We grant AT&T's petition for the reasons stated below.

¹ See 47 U.S.C. § 153(25). Section 3(25) of the Act defines a Local Access Transport Area (LATA) as a contiguous geographic area (1) established prior to enactment of the 1996 Act by a Bell Operating Company (BOC) such that no exchange area includes points within more than one metropolitan statistical area, consolidated metropolitan statistical area, or state, except as expressly permitted under the AT&T Consent Decree; or (2) established or modified by a BOC after such date of enactment and approved by the Commission. *Id.*

² See Petition of AT&T Inc. for Limited Modification of LATA Boundaries to Provide EAS between the Leesville Exchange and the Florien Exchange in Louisiana, WC Docket No. 07-85 (filed Apr. 4, 2007) (AT&T Petition); *Pleading Cycle Established for Comments on AT&T's Request for Limited Modification of the LATA Boundary to Provide Expanded Area Service Between the Leesville and Florien Exchanges in the State of Louisiana*, WC Docket No. 07-85, Public Notice, DA 07-1798 (rel. Apr. 20, 2007). We note that AT&T serves both exchanges and both are in Louisiana. EAS allows local telephone service rates to apply to nearby telephone exchanges, thus providing an expanded local calling area.

³ AT&T Petition at 1-2. AT&T Louisiana is the predominant carrier in the Leesville and Florien exchanges. The Leesville exchange has 15,356 access lines, and the Florien exchange has 2,065 access lines. *Id.* at 2.

⁴ See AT&T Petition at 2, Attach. A (Louisiana Public Service Commission, *Implementation of InterLATA EAS service between the Leesville and Florien exchanges and authority to request LATA relief from the FCC, SPECIAL ORDER NO. 13-2007* (rel. Mar. 23, 2007) (Louisiana Commission Order)).

II. BACKGROUND

2. Requests for new EAS routes are generally initiated by local subscribers.⁵ Although intraLATA EAS routes can be ordered by a state commission,⁶ requests for interLATA EAS routes fall within the Federal Communications Commission's (Commission's) exclusive jurisdiction pursuant to section 3(25)(B) of the Act.⁷ Applying a two-part test, the Commission will grant a request for a LATA boundary modification where: (1) the applicant proves that the requested LATA modification would provide a significant public benefit; and (2) granting the petition would not remove the BOC's incentive to receive authority to provide in-region, interLATA service pursuant to section 271 of the Act.⁸ The AT&T Petition proposes to establish two-way, non-optional EAS, and is accompanied by an Order issued by the Louisiana Commission approving the EAS request between the Leesville and Florien exchanges and directing AT&T to petition for a modification of the LATA boundary to implement the EAS route.⁹ No party filed comments opposing the AT&T Petition.

III. DISCUSSION

3. We conclude that AT&T's petition satisfies the Commission's two-part test. Applying the first prong of the test, we find that AT&T has shown that a significant public interest benefit would result from the EAS because a sufficient community of interest exists among the affected exchanges to justify treatment as a local calling area.¹⁰ In reaching this finding, we note that the EAS service that AT&T proposes to offer between these exchanges¹¹ is the type of service this Commission has determined to be consistent with the public interest.¹² We also find it a persuasive indicator of a community of interest that the Louisiana Commission found that an EAS route between the affected exchanges satisfied the state's geographic requirements, as well as community of interest criteria.¹³ We find, accordingly, that the petition is based on a significant community of interest, and thus satisfies the first prong of the Commission's two-part test.

⁵ The Louisiana Commission found a sufficient community of interest to warrant EAS and requested that AT&T provide it. *Louisiana Commission Order* at 1.

⁶ See *United States v. Western Elec. Co.*, 569 F. Supp. 990, 995 (D.D.C. 1983) ("The distance at which a local call becomes a long distance toll call has been, and will continue to be, determined exclusively by the various state regulatory bodies.").

⁷ See *Application for Review and Petition for Reconsideration or Clarification of Declaratory Ruling Regarding U S WEST Petitions to Consolidate LATAs in Minnesota and Arizona*, File No. NSD-L-97-6, Memorandum Opinion and Order, 14 FCC Rcd 14392, 14393-402, paras. 4-20 (1999).

⁸ 47 U.S.C. § 271; see *SBC Telecom, Inc. Petition for Modification of Certain LATA Boundaries in Ohio*, File No. NSD-L-00-25, Memorandum Opinion and Order, 18 FCC Rcd 26398, 26399-402, paras. 2, 6-8 (2003).

⁹ *Louisiana Commission Order* at 1-2.

¹⁰ See *Petitions for Limited Modification of LATA Boundaries to Provide Expanded Local Calling Service (ELCS) at Various Locations*, CC Docket No. 96-159, Memorandum Opinion and Order, 12 FCC Rcd 10646, 10653, para. 14 (1997) (*July 1997 LATA Order*).

¹¹ AT&T Petition at 1-2.

¹² See *July 1997 LATA Order*, 12 FCC Rcd at 10654-56, paras. 18-19.

¹³ *Louisiana Commission Order* at 1 (stating that there is a strong community of interest because of the geographic proximity of the exchanges and their similar economic bases). AT&T states that no polling of customers was done to determine support for the proposed EAS route because no customer bills will increase as a result of the new EAS plan. AT&T Petition at 2.

4. AT&T also satisfies the second prong of the two-part test because it has already opened its market to competition in Louisiana, and the Commission has thus granted it authority under section 271 to offer long distance service in that state.¹⁴ Thus, granting the requested modification has no bearing on AT&T's incentive to receive such authority. Moreover, we conclude that the LATA boundary modifications would have a minimal effect upon AT&T's incentives because modification of the LATA boundary would affect only a small number of access lines.¹⁵ As a result, granting AT&T's petition serves the public interest by permitting minor LATA modifications where such modifications are necessary to meet the needs of local subscribers. Accordingly, we approve AT&T's petition for limited LATA boundary modifications.

5. We grant this relief solely for the limited purpose of allowing AT&T to provide EAS between specific exchanges or geographic areas identified in this request. The LATA boundary is not modified to permit AT&T to offer any other type of service, including calls that originate or terminate outside the specified areas. Thus, two-way, non-optional EAS between the specified exchanges will be treated as intraLATA service.

IV. ORDERING CLAUSE

6. Accordingly, IT IS ORDERED, pursuant to sections 3(25) and 4(i) of the Communications Act of 1934, as amended, 47 U.S.C. §§ 153(25), 154(i), and authority delegated by sections 0.91 and 0.291 of the Commission's rules, 47 C.F.R. §§ 0.91, 0.291, that the request of AT&T for a limited modification of LATA boundaries for the limited purpose of providing two-way, traditional, non-optional EAS between the specific locations in Louisiana, as identified in WC Docket No. 07-85, IS APPROVED.

FEDERAL COMMUNICATIONS COMMISSION



Christi Shewman
Chief
Competition Policy Division
Wireline Competition Bureau

¹⁴ See *Joint Application by BellSouth Corporation, BellSouth Telecommunications, Inc., and BellSouth Long Distance, Inc., for Provision of In-Region, InterLATA Services in Georgia and Louisiana*, CC Docket No. 02-35, Memorandum Opinion and Order, 17 FCC Rcd 9018 (2002).

¹⁵ For the purposes of EAS petitions, we generally consider the number of access lines from customers in the smaller exchange who seek to reach businesses and services in the other exchange because the smaller exchange usually generates the majority of calls between the two exchanges. See *Southwestern Bell Petitions for Limited Modifications of LATA Boundaries to Provide Expanded Local Calling Service (ELCS)*, WC Docket No. 02-134, Memorandum Opinion and Order, 17 FCC Rcd 25540 (2002). Based upon the number of access lines in the Florien exchange (2,065 access lines), the LATA boundary modification would affect only a small number of access lines. See AT&T Petition at 2.